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ASSESSMENT REPORT

describing

GEOLOGICAL MAPPING, PROSPECTING AND SAMPLE COLLECTION

at the

LOGTUNG PROPERTY

Northern Dancer 509951

NTS 104O/13E
Latitude 59°59'44"N, Longitude 131°36'06"W

in the

Atlin Mining Division
British Columbia

prepared by

Archer, Cathro & Associates (1981) Limited

for

STRATEGIC METALS LTD.

by

William A. Wengzynowski, P.Eng.
November 2005

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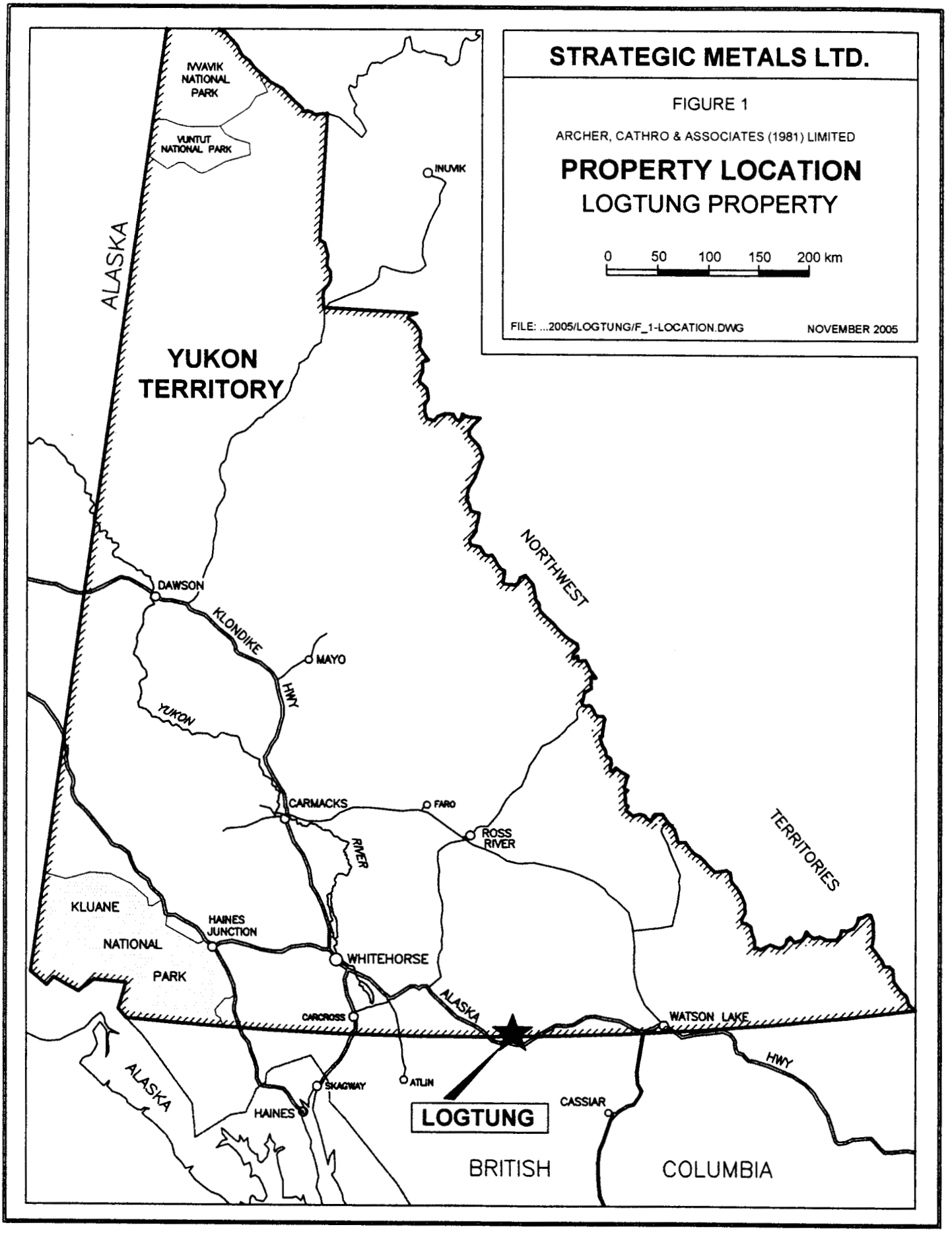
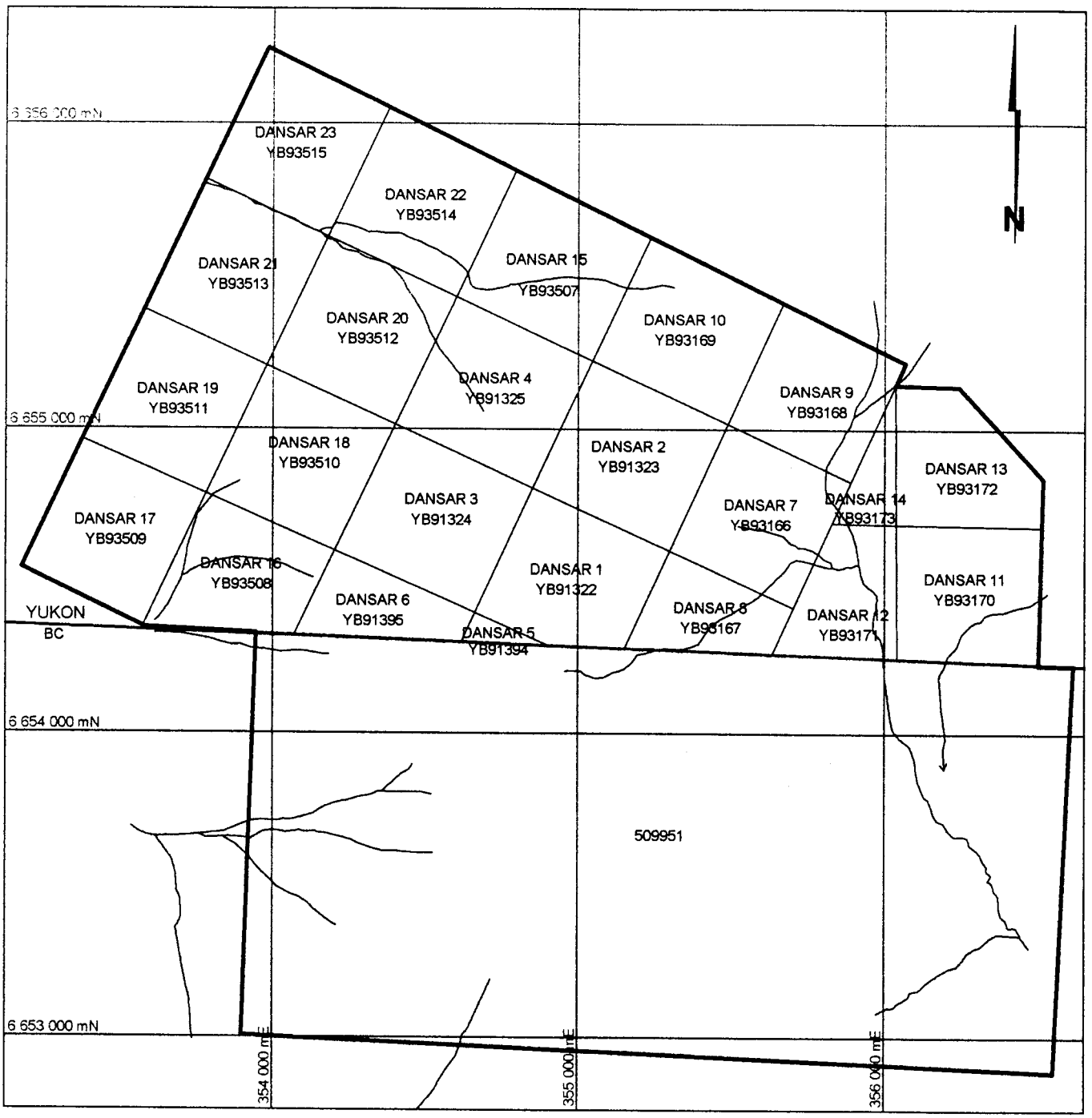

STRATEGIC METALS LTD.
FIGURE 1
ARCHER, CATHRO & ASSOCIATES (1981) LIMITED
PROPERTY LOCATION
LOGTUNG PROPERTY
0 50 100 150 200 km
FILE: ...2005/LOGTUNG/F_1-LOCATION.DWG
NOVEMBER 2005
IVVAVIK NATIONAL PARK
VUNTUT NATIONAL PARK
INUVIK
ALASKA
YUKON TERRITORY
NORTHWEST
TERRITORIES
DAWSON
KLONDIKE HWY
MAYO
YUKON
CARMACKS
FARO
ROSS RIVER
RIVER
KLUANE NATIONAL PARK
HAINES JUNCTION
WHITEHORSE
CARCROSS
ALASKA
WATSON LAKE
HWY
SKAGWAY
ATLIN
HAINES
ALASKA
LOGTUNG
CASSIAR
BRITISH COLUMBIA



STRATEGIC METALS LTD.

FIGURE 2

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

CLAIM LOCATION
LOGTUNG PROPERTY

0 1 1.5 km

UTM Zone 9V, NAD 83

FILE: ...2005/LOGTUNG/F_2-CLAIMS.DWG

DATE: NOVEMBER 2005

INTRODUCTION

The Northern Dancer claim is part of the Logtung property, which also includes adjoining claims in Yukon Territory. Both sets of claims are owned by Strategic Metals Ltd. The Northern Dancer claim covers the southerly portion of a large mineralized system that includes the Logtung tungsten-molybdenum deposit located in the Yukon portion of the property. The Logtung Deposit is estimated to contain 162 million tonnes grading 0.13% WO_3 and 0.052% MoS_2 (Noble, et al., 1984). Note that this resource is an estimate that pre-dates NI 43-101.

This report describes results of field work conducted on the Northern Dancer claim at various times between June 22 to 30 and July 10 to 16, 2005 by a two person crew consisting of Dr. Lee Groat, Professor of Mineralogy at the University of British Columbia, and Allison Brand, a student scheduled to begin a study of mineralization on the property. Both were employed by Archer, Cathro & Associates (1981) Limited, and were supervised by the author. The Author's Statement is contained in of Qualifications is Appendix I.

The 2005 work consisted of geological mapping to familiarize Ms. Brand with the property coupled with prospecting and sample collection for her proposed M.Sc. thesis project that will be supervised by Dr. Groat.

PROPERTY, LOCATION AND ACCESS

The British Columbia portion of the Logtung property consists of one mineral claim located in the Atlin Mining Division on NTS map sheet 104O/13E. The claim is centred at latitude 59°59'44"N and longitude 131°36'06"W (Figure 1). The northern edge of the claim block follows the B.C.-Yukon border. Strategic also owns adjoining claims on the Yukon side of the border.

The British Columbia claim is registered in the name of Archer Cathro which holds it in trust for Strategic. Claim data are listed below while the location of the claim is shown on Figure 2.

Claim Name	Grant Number	Expiry Date*
Northern Dancer	509951	March 14, 2013

* Expiry date includes 2005 work which has been filed for assessment credit.

Access to the property is provided by a 13 km gravel road extending from Km 1203 on the Alaska Highway. Although the road has not been maintained since the early 1980s, it is passable with four-wheel drive vehicles during summer and fall and could easily be upgraded for all-season two-wheel drive access.

PREVIOUS WORK

In 1975 the Bath Uranium Partnership discovered tungsten stream sediment anomalies, but it was not until the following year that the anomalies were traced to their source and a large claim block was staked straddling the B.C.-Yukon border. After preliminary prospecting, ownership of the claims was transferred to Logjam Resources Ltd. which immediately optioned them to Amax Potash Limited. Between 1977 and 1981 Amax built a road to the property and explored with geological mapping, soil geochemistry, Induced Polarization (IP) surveys, 51 diamond drill holes totalling 11,157 m and 496 m of underground workings. The surface work was done on both sides of the border but only 474 m of diamond drilling (4 holes) were performed on B.C. claims. Most of the work focussed on an area about 300 m north of the border where the Logtung Deposit was outlined. In 1983 Amax transferred its interest to Canamax Resources Inc. which then prepared a preliminary feasibility study that concluded the deposit was uneconomic. In 1984 airborne magnetic and electromagnetic surveys were conducted. Canamax dropped its option in 1986. Subsequently most of the Yukon and all of the B.C. claims were allowed to lapse.

In 1993 NDU Resources Ltd. optioned the remaining claims as a possible bulk tonnage gold target modelled on the Fort Knox Deposit in Alaska (Eaton, 1994). The program was conducted on both sides of the border and consisted of soil geochemical surveys, prospecting and two diamond drill holes (234 m) in Yukon. Soil sampling outlined large areas of moderately to strongly anomalous tungsten, molybdenum, bismuth, beryllium and gold values but rock analyses and drilling returned disappointing results. The option was allowed to expire without additional work being done.

In 1998 Nordac Resources Ltd. (renamed Strategic Metals Ltd. in 2001) restaked the deposit and performed additional prospecting and limited rock sampling, which were directed primarily toward beryllium potential. Strategic conducted a digital data compilation and performed additional prospecting in 2001 (Eaton, 2002).

In 2003 Strategic conducted a short program of prospecting and minor hand trenching which focussed on areas to the south and west of the deposit in Yukon where earlier soil geochemistry and prospecting had identified tungsten-molybdenum-beryllium mineralization associated with sheeted quartz veins and veinlets (Eaton, 2004). This was followed up with a road building and excavator trenching program in the same area during the summer of 2004 (Eaton 2005).

GEOMORPHOLOGY

The claims cover the headwaters of two creeks, one draining west into the Smart River and the other southeast into the Swift River. Local elevations range from 1350 to 1750 m above sea level. The area has undergone recent alpine glaciation and is typified by steep ridges separating broad U-shaped valleys blanketed by basal till and glacial moraines. Outcrop is most abundant along ridge crests and on the north- or west-facing cirque walls. South- and east-facing slopes are usually covered by talus. Most of the property is above tree line, which is at 1450 m.

GEOLOGY

Regional and property geology are well described in Noble, et al, (1984 and 1986) plus a number of company reports, notably Harris (1978 and 1979). Although Strategic has done minor remapping of the property, the following summary is mainly based on earlier descriptions.

The Logtung property lies south of the Tintina Fault within Cassiar Platform. Country rocks consist of Paleozoic to Early Mesozoic fine grained clastic and carbonate sedimentary rocks that were deposited along the margin of North America and later deformed during an arc-continent collision. The sediments are intruded by two intrusive suites. The older suite is Triassic to Jurassic in age and includes stocks and dykes ranging from ultramafic to granodiorite in composition. The younger intrusions are Cretaceous to early Tertiary in age and quartz monzonite to monzogranite in composition. They range from batholiths (Cassiar, Seagull and Hake) through to narrow hypabyssal dykes.

Figure 3 illustrates geology on and immediately adjacent to the claims. Sedimentary rocks consist of isoclinally folded shale and argillite with minor limestone and marble interbeds. The strata generally exhibit shallow to moderate dips. The sedimentary rocks are intruded by two Jurassic dioritic stocks flanked by satellite dykes, and an Early Tertiary monzogranitic stock accompanied by swarms of pegmatite dykes and sills plus a slightly younger but apparently comagmatic felsic porphyry dyke complex. Both ages of intrusions produced extensive hornfels halos and localized skarn horizons.

All units are cut by northeast striking, steeply dipping faults, that are readily visible as recessive linears on airphotos. Where exposed these structures are 5 to 10 m wide and contain numerous 1 to 30 cm wide, white quartz veins surrounded by weakly clay altered wallrocks with abundant quartz stringers. Slickensides are rare and offsets appear to be small.

MINERALIZATION

Previous work in the vicinity of the claims has outlined an extensive, multi-episode vein system that is enriched in several metals, most notably tungsten and molybdenum (Noble, et al, 1986). The system is centred on the porphyry dyke complex and forms a 2500 by 750 m kidney-shaped zone that is elongated along a north-northeasterly axis (Figure 3). Most of the mineralization within the system occurs in veins and fractures with the remainder found as disseminations within the porphyry dyke complex and skarn horizons. The veins crosscut all units and are apparently related to emplacement of the porphyry dyke complex. Table I summarizes mineralization in the main vein sets, from oldest to youngest.

TABLE I

Summary of Vein Mineralogy (from Noble, et al., 1986)

Vein type	Essential Minerals	Accessory Minerals
Quartz-molybdoscheelite	quartz, garnet, diopside, molybdoscheelite, pyrite	epidote, chlorite, fluorite, calcite, biotite, molybdenite, plagioclase, orthoclase
Quartz-pyrite-scheelite	quartz, fluorite, epidote, scheelite, chlorite, molybdoscheelite	plagioclase, calcite, garnet, diopside, hornblende, biotite, orthoclase, sphalerite, molybdenite, chalcopyrite
Quartz-molybdenite	quartz, epidote, calcite, diopside, molybdenite, pyrite, chalcopyrite	muscovite, chlorite, scheelite, garnet, sphalerite, plagioclase, pyrrhotite, rutile
Sheeted veins		
(A) Scheelite-molybdenite (central region)	quartz, beryl, scheelite, orthoclase, fluorite, plagioclase, calcite, pyrite, molybdenite	biotite, chlorite, muscovite, epidote, helvite, sphalerite, bismuthinite, marcasite, pyrrhotite, galena
(B) Pb-Zn-Ag (northeast)	quartz, calcite, arseno-pyrite, galena, sphalerite, pyrrhotite, chalcopyrite	chlorite, stannite, galenobismuthinite, pyrite, löllingite
(C) Quartz-wolframite (southwest)	quartz, fluorite, beryl, wolframite	calcite, scheelite, bismuthinite

Amax's exploration focussed on the bulk tonnage potential of the porphyry dyke complex and its immediate wallrocks. This work resulted in a resource estimate of 162 million tonnes grading 0.13% WO_3 and 0.052% MoS_2.

Prospecting, mapping and soil geochemical results from the various exploration programs, including Strategic's work, indicate that potential for sheeted vein and skarn mineralization extends well beyond the outlined deposit. The work suggests that tungsten±molybdenum veins south of the defined deposit could contain potential by-products including beryllium, bismuth, gold and silver. North of the deposit, the sheeted veins contain predominantly base and precious metals. Eaton (2004) describes five areas containing sheeted veins and related pegmatite dykes south of the deposit.

2005 EXPLORATION

The main purpose of the 2005 work program was to familiarize Ms. Brand with the geology of the Logtung property and facilitate the collection of samples for her M.Sc. thesis study. A total of 24 rock samples and 21 core samples were taken. Ten of the rock samples and all the core originated in Yukon. The other 14 rock samples were collected in British Columbia, as shown on Figure 3. Various types of analysis and thin section work are underway on the samples but results have yet been reported. Age dating of specific mineral species is also planned.

CONCLUSIONS

When completed, Ms. Brand's thesis should provide significant insight concerning age relationships between the mineralization of various intrusive phases. Her studies will also examine the relative abundance and composition of ore and gangue minerals in different parts of the mineralized system. Information gained from her studies could have important exploration implications and could impact on the production and marketability of scheelite and molybdenite concentrates.

Respectfully submitted,

Archer, Cathro & Associates (1981) Limited

B. Wengzynowski

William A. Wengzynowski, P.Eng.

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Canamax

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Eaton, W.D.

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2002 Prospecting and Digital Data Compilation, Northern Dancer Property, Assessment Report for Strategic Metals Ltd.

2004 Assessment Report Describing Prospecting and Hand Trenching at the Logtung Property for Strategic Metals Ltd.

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1978 1977 Property Report, Logtung Property, unpublished company report for Amax Potash Limited, p. 43.

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Noble, S.R., Spooner, E.T.C. and Harris, F.R

1984 The Logtung Large Tonnage, Low Grade W (Scheelite) - Mo Porphyry Deposit, South-Central Yukon Territory, Econ. Geol., Vol. 79, 1984, pp. 848-868

1986 Logtung: A porphyry W-Mo deposit in southern Yukon, in CIM special vol. 37, pp.274-287.

APPENDIX I

AUTHOR'S STATEMENT OF QUALIFICATIONS

STATEMENT OF QUALIFICATIONS

I, William A. Wengzynowski, geological engineer, with business addresses in Vancouver, British Columbia and Whitehorse, Yukon Territory and residential address in Garibaldi Highlands, British Columbia, do hereby certify that:

1. I am President of Archer, Cathro & Associates (1981) Limited.

2. I graduated from the University of British Columbia in 1993 with a B.A.Sc in Geological Engineering, Option I, mineral and fuel exploration.

3. I registered as a Professional Engineer in the Province of British Columbia on December 12, 1998 (Licence Number 24119).

4. From 1983 to present, I have been actively engaged in mineral exploration in the Yukon Territory, Northwest Territories, northern British Columbia and Mexico.

5. I have personally participated in and supervised the fieldwork reported herein.

William A. Wengzynowski, P. Eng.

APPENDIX II

ROCK SAMPLE DESCRIPTIONS

Sample Descriptions, Northern Dancer Claims, British Columbia

Sample AL-1

Quartz monzonite

Sample AL-2

Diorite with disseminated molybdenite.

Sample AL-3

Felsic dyke with small flakes of molybdenite.

Sample AL-4

Quartz vein ~4.5 cm with traces of scheelite and fluorite and maybe some vesuvianite. Some of the scheelite seems to lie along the vein selvedges.

Sample AL-5

Felsic dyke with minor fluorite, beryl, wolframite, scheelite, bismuthinite?

Sample AL-6

Contact of monzogranite and hornfelsed metasediments. Quartz veins cut both units. The veins contain bluish-green beryl up to ~0.5 by 1.2 cm with massive to euhedral morphology, purple fluorite, calcite, and wolframite rimmed by scheelite.

Sample AL-7

Quartz vein with green beryl and rafts of monzogranite.

Sample AL-8

Hornfelsed argillite with disseminated sulfides.

Sample AL-13

Diorite in skarn/hornfels with fine-grained disseminated molybdenite, plus possibly pyrrhotite, pyrite or chalcopyrite.

Sample AL-20

Basalt dyke, very fine-grained, contains abundant phenocrysts and quartz amygdules, and minor sulfide pods (may be arsenopyrite). The dyke cuts hornfelsed skarn.

Sample AL-21

Dark grey hornfels.

Sample AL-22

Two parallel sheeted quartz veins ~ 10 cm wide containing wolframite, minor scheelite, and minor purple-pink fluorite.

Sample AL-23

Fault breccia composed of angular shards of argillite in pale green skarn.

Sample AL-24

Subcrop and talus of porphyry containing purple fluorite and molybdenite. The host rock consists of hornfels/skarn which at times looks argillitic and contains abundant pyrrhotite in pods and disseminated blebs. Three samples of the porphyry and two of the host rock were taken as sample AL-24.

APPENDIX III

STATEMENT OF COSTS

Statement of Expenditures
Tenure 509951 – Northern Dancer
September 14, 2005

Labour

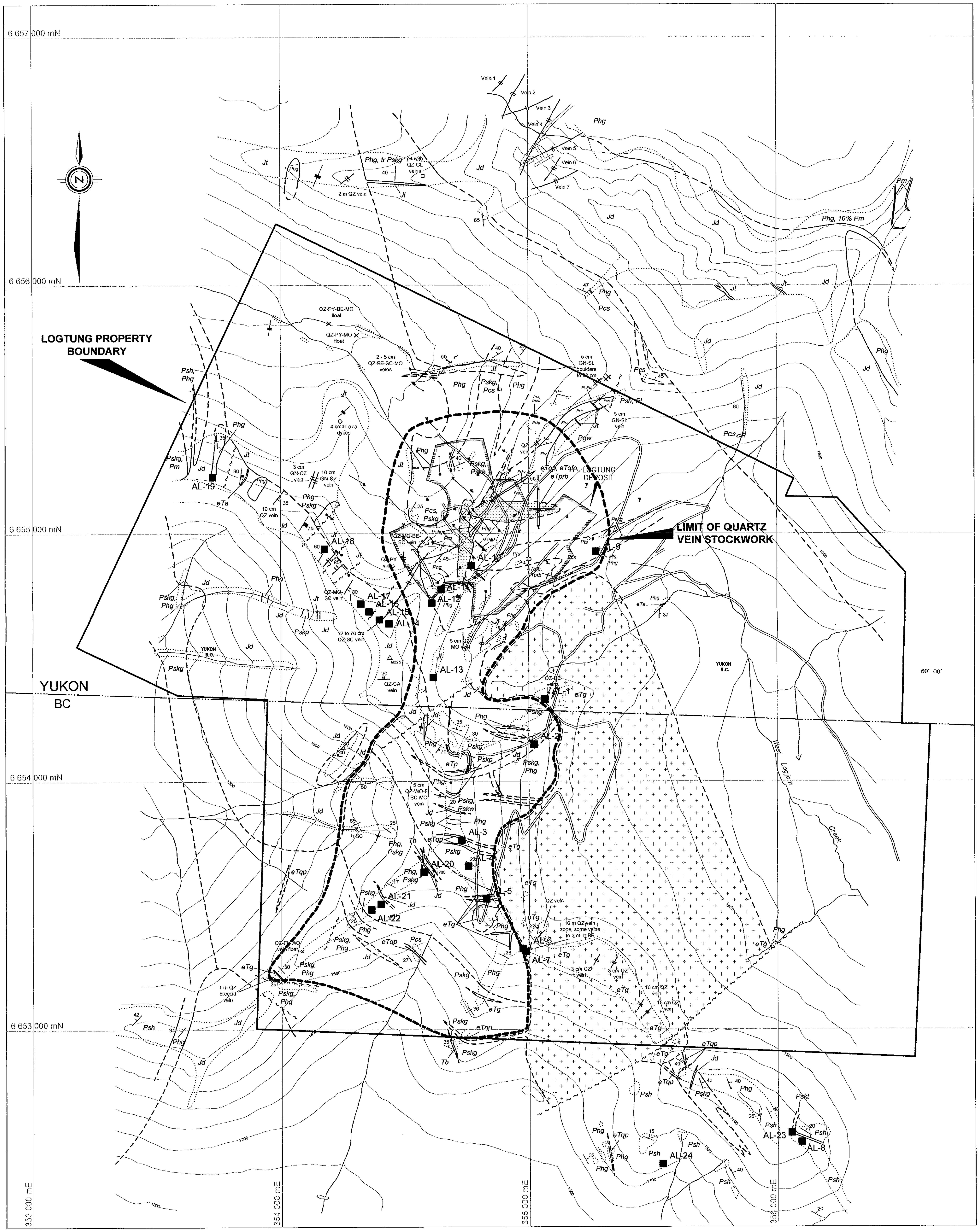
L. Groat – geologist – 8 1/2 days June & July at $800/day	$ 7,276.00
D. Eaton – geologist – 5 1/2 hours June & July at $70/hr	411.95
A. Brand – geologist – 8 1/2 days June & July at $304/day	2,764.88
J. Mariacher – 15 3/4 hours June to September at $58/hr	977.45
L. Corbett – 10 3/4 hours June & July at $60/hr	690.15
	12,120.43

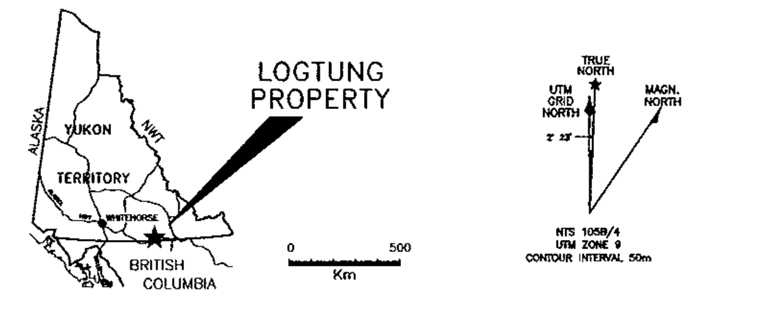
Expenses

Field room and board – 17 1/2 days at $125/day	2,340.63
Truck rental and fuel	2,529.51
	4,870.14
	$16,990.57

Logtung - B.C. Claims - looking south across border - late 1970s access road to old drill sites.

Logtung - B.C. Claims - looking west from main access road toward drill access road on ridge.





LEGEND

IGNEOUS ROCKS

TERTIARY ?

Tb	Basalt dykes

EARLY TERTIARY (PALEOCENE)

eTp	Undifferentiated porphyry; *eTqp* - quartz porphyry; *eTqfp* - quartz feldspar porphyry; *eTpc* - coarse grained porphyry; *eTa* - aplite; *eTf* - felsite; *eTprb* - ribbon banded porphyry; *eTps* - silicified porphyry; *eTpeg* - pegmatite
eTg	Porphyritic monzogranite

JURASSIC

Jd	Quartz diorite to granodiorite
Jt	Tonalite

SEDIMENTARY AND METAMORPHIC ROCKS

PALEOZOIC TO TRIASSIC

Carbonate and calcareous clastic rocks

Pc	Undifferentiated calcareous rocks; *Pl* - limestone; *Pm* - marble; *Pls* - interbedded limestone and shale; *Pskg* - light green skarn; *Pskp*- pyroxene skarn; *Pskg* - garnet skarn; *Pskt* - tremolite skarn; *Pskv* - garnet vein skarn; *Pskw* - wollastonite-vesuvianite skarn; *Pcs* - calc-silicate; *Pcsg* - calc-silicate with disseminated garnet.

Non-calcareous clastic rocks

Ps	Undifferentiated non-calcareous rocks; *Psh* - shale and argillite; *Pgw* - greywacke; *Phg* - grey to brown hornfels; *Phb* - bleached hornfels.

SYMBOLS

Area of outcrop

Quartz vein: inclined, vertical, attitude unknown

Jointing: inclined, vertical

Bedding: inclined, vertical

AL-1 2005 sample location

Fault

Road

Claim boundary

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FIGURE 3

ARCHER, CATHRO & ASSOCIATES (1981) LIMITED

GEOLOGY AND SAMPLE LOCATION

LOGTUNG PROPERTY

0 50 100 200 300 400 500 m

UTM ZONE 9V, NAD 83

FILE: ...2005/LOGTUNG/F_3-GEOL.DWG | DATE: NOVEMBER 2005